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February 12, 2025

Via ECF

The Honorable Dale E. Ho
United States District Court
Southern District of New York
40 Foley Square
New York, NY 10007

Re: *Brighthouse Life Insurance Company v. Spin Capital, LLC, et al.*
Case No.: 1:23-cv-08570-DEH

Dear Judge Ho:

This firm represents Plaintiff Brighthouse Life Insurance Company (“Brighthouse”) in the referenced action. In accordance with the Court’s February 5, 2025 Order (ECF Doc. 130), we submit this status letter to outline the respective positions of Brighthouse, the Defendants and the Proposed Intervenor as to the next steps in this litigation and to identify any outstanding motions requiring the Court’s attention. Brighthouse has conferred with counsel for the parties, and their respective positions are outlined below.

Brighthouse: Brighthouse filed its Motion for Discharge, Dismissal and Other Relief in Interpleader, Including Attorneys’ Fees, on March 15, 2024 (the “Motion”). (ECF Doc. 86.) The Motion is outstanding and requires the Court’s attention. If Brighthouse is discharged from all liability under the life insurance policy at issue; dismissed from the action with prejudice; the Defendants and Proposed Intervenor are permanently enjoined from commencing any other actions or proceedings concerning the life insurance policy and death benefits at issue; and Brighthouse’s request for attorneys’ fees, costs, and/or return of accrued interest as identified in the Motion is granted, Brighthouse will have no further role in the litigation and takes no position on how the litigation ultimately proceeds. To the extent Brighthouse is not dismissed and discharged and the Defendants and Proposed Intervenor are not permanently enjoined, Brighthouse respectfully reserves the right to modify its position on next steps in the litigation.

Defendant Spin Capital LLC (“Spin Capital”): The proceeds of the Brighthouse policy are in the hands of Fred Stevens, as Court-Appointed Temporary Receiver (the “Receiver”), on deposit with Wilmington Trust, subject to the disposition of the pending motions for the award of counsel fees and the imposition of sanctions. A determination on the motions is needed so the Receiver can determine the amount that should remain reserved, or whether funds held can be disbursed as

directed in the New York State Court Action. Spin Capital is not aware of any other outstanding issues.

The Leer Defendants:¹ The only actions left are the two pending motions, and the Leer Defendants take no position on them.

The Proposed Intervenors:² The Proposed Intervenors are not formally parties in this action. Nonetheless, should the Court's February 5, 2025 memo endorsement be read to encompass the Proposed Intervenors, they concur with Spin Capital's position. The proceeds of the Brighthouse policy are in the hands of the Receiver, on deposit with Wilmington Trust, subject to the disposition of the pending motions for the award of counsel fees and the imposition of sanctions. The position of the Proposed Intervenors on those motions is stated in their papers. Like Spin Capital, the Proposed Intervenors are not aware of any other outstanding issues.

Respectfully submitted,

/s/ Michelle J. d'Arcambal
Michelle J. d'Arcambal

cc: All counsel of record (*via ECF and/or email*)

¹ The "Leer Defendants" include Defendants Golden Foothill Insurance Services, LLC, Life Factor II, LLC, Life Shares II, LLC, El Dorado Hills Insurance Solutions, Inc., Lone Wolf Insurance Services, Inc., ELDO Investments, LLC, The Genesis LS Fund, LLC, KTL Holdings, Inc., DRVN Holdings, LLC, Stefan Leer and Tatanisha Leer.

² The "Proposed Intervenors" consist of members of the Life Shares 1019, LLC investor group, including Stephen Marik Brockman, Aaron Davison, Neilesh Desai, Jennifer Pursley, Michael Schwartz, Sheila Schwartz, The Charissa & Toney Trust, The Charissa Toney Living Trust, Matthew Troy and American River Ag, Inc.